

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

POWER INTEGRATIONS, INC., a
Delaware corporation,

Plaintiff,

v.

FAIRCHILD SEMICONDUCTOR
INTERNATIONAL, INC., a Delaware
corporation, and FAIRCHILD
SEMICONDUCTOR CORPORATION, a
Delaware corporation,

Defendants.

C.A. No. 04-1371-JJF

**DECLARATION OF MICHAEL R. HEADLEY IN SUPPORT OF
POWER INTEGRATIONS, INC.'S CONSOLIDATED OPPOSITION TO
DEFENDANTS' EXPEDITED MOTION TO AMEND THE SCHEDULE AND
MOTION TO SHORTEN TIME**

I, Michael R. Headley, declare as follows:

1. I am an associate of Fish & Richardson P.C., counsel of record in this action for Plaintiff Power Integrations, Inc. ("Power Integrations"). I am a member of the Bar of the State of California and am admitted *pro hac vice* for the above-captioned action. I have personal knowledge of the matters stated in this declaration and would testify truthfully to them if called upon to do so.

2. The parties originally scheduled the deposition of Power Integrations CEO and President Balu Balakrishnan for September 28-29, 2005. On the morning of Sept. 26, though, Power Integrations learned that Mr. Balakrishnan was very ill. Upon learning of Mr. Balakrishnan's illness, I immediately called Fairchild's counsel. Before noon that day, I spoke with Fairchild counsel Bas de Blank regarding Mr. Balakrishnan's condition and the need to reschedule the deposition. In light of Mr. Balakrishnan's illness, Mr. de Blank agreed to reschedule the deposition.

3. Thereafter, the parties rescheduled Mr. Balakrishnan's deposition for October 7 and 10, 2005. A few days before his rescheduled deposition, Mr. Balakrishnan was still not well. At that point, he was examined by a doctor and learned that his illness had developed into pneumonia. I informed Fairchild of this discovery right away, and the parties agreed to table the deposition for the time being. At that time, Fairchild did not raise any issue with the agreed-upon case schedule.

4. On October 12, I discussed a number of outstanding discovery issues with Mr. de Blank, including possible dates for Mr. Balakrishnan's deposition. During that conversation, Mr. de Blank stated that Fairchild required that its expert be able to attend Mr. Balakrishnan's deposition, but because Fairchild's expert was to leave shortly thereafter for a lengthy trip that made him unavailable until November 10, Power Integrations proposed November 17 and 18 for the deposition. Even in light of that delay, at that time, Fairchild's counsel explicitly stated it was *not* asking for more time for expert reports or a modification of any part of the schedule.

5. Attached hereto as Exhibit A is a true and correct copy of my October 12, 2005 e-mail to Fairchild counsel Bas de Blank confirming the discussions I had with him that day.

6. On October 19, 2005, I met with Mr. de Blank in person at his office in Menlo Park, California, and we agreed that the deposition of Mr. Balakrishnan would go forward on November 17-18. Mr. de Blank made no mention of moving the case schedule during that meeting; rather, he assented to the filing of the parties' stipulated schedule containing the deadline of October 31, 2005 for opening technical expert reports. Hours later, Mr. de Blank sent me a letter proposing a completely new schedule that pushed back the pre-trial conference by three months.

7. At no point has Power Integrations agreed with Fairchild's assertion that the deposition of Mr. Balakrishnan must go forward before the parties complete expert reports. Attached hereto as Exhibit B is a true and correct copy of a September 21, 2005

e-mail I sent to Mr. de Blank noting Power Integrations' disagreement with that contention. Attached as hereto as Exhibit C is a true and correct copy of an October 25, 2005 e-mail I sent to Mr. de Blank, reiterating (among other things) Power Integrations' position that the deposition of Mr. Balakrishnan has no bearing on the schedule for expert reports or claim construction.

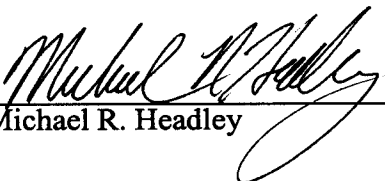
8. Throughout my discussions with Fairchild's counsel, I repeatedly asked for a basis for their claims that Mr. Balakrishnan's deposition was necessary for expert reports. Fairchild provided no specifics until just a few days ago, relying instead on vague claims that the testimony may relate to invalidity, claim construction, or infringement.

9. On several occasions, I offered to work with Fairchild's counsel on supplementing expert reports if that proved necessary in light of Mr. Balakrishnan's deposition testimony, but Fairchild's counsel rejected that proposal, demanding a new schedule for expert discovery instead.

10. The schedule proposed in Fairchild's motion does not precisely track any proposal Fairchild's counsel has previously raised. Instead, it proposes yet another schedule for expert discovery, claim construction, and the pre-trial conference.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 27th day of October, 2005, at Redwood City, California.


Michael R. Headley

CERTIFICATE OF SERVICE

I hereby certify that on October 28, 2005, I electronically filed the
DECLARATION OF MICHAEL R. HEADLEY IN SUPPORT OF POWER
INTEGRATIONS, INC.'S CONSOLIDATED OPPOSITION TO DEFENDANTS'
EXPEDITED MOTION TO AMEND THE SCHEDULE AND MOTION TO
SHORTEN TIME with the Clerk of Court using CM/ECF which will send notification
of such filing(s) to the following:

BY HAND

Steven J. Balick, Esq.
John G. Day, Esquire
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Wilmington, DE 19899

Attorneys for Defendant-
Counterclaimant
FAIRCHILD SEMICONDUCTOR
INTERNATIONAL, INC. and
FAIRCHILD SEMICONDUCTOR
CORPORATION

I hereby certify that on October 28, 2005, I have mailed the document(s) via
Federal Express to the following non-registered participants:

G. Hopkins Guy, III
Bas de Blank
Duo Chen
Orrick, Herrington & Sutcliffe, LLP
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Menlo Park, CA 94025

Attorneys for Defendants
FAIRCHILD SEMICONDUCTOR
INTERNATIONAL, INC. and
FAIRCHILD SEMICONDUCTOR
CORPORATION

/s/ William J. Marsden, Jr.

William J. Marsden, Jr.